

CK Rth.
Texaco Exploration and Production Inc.
Attn: Mr. Joseph F. Smith, Jr.
935 Gravier St., Room 1944
New Orleans, Louisiana 70112

September 3, 2002

ChevronTexaco

Hon. James H. Welsh, Commissioner
Department of Natural Resources
Office of Conservation
P. O. Box 94275 - Capitol Station
Baton Rouge, Louisiana 70804-9275

Dear Sir:

Chevron U.S.A. Inc. requests the calling of a public hearing, after due legal notice, to consider the following matters pertaining to the Z Sand, Reservoir 650, in the Lake Barre Field, Terrebonne Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the above sand.
2. To establish a single drilling and production unit for the above sand.
3. To force pool and integrate all separately owned tracts and mineral leases and other mineral interests within the unit.
4. To designate Chevron U.S.A. Inc. as operator of the Z R650 SUA.
5. To designate Chevron's VU29;LB U29 Well No. 39 as the unit well for the Z R650 SUA.
6. To provide that any future replacement and/or alternate wells for said unit shall be exempt from the spacing provisions of Statewide Order No. 29-E.
7. To provide for future reclassification of the reservoir without the necessity of a public hearing if such reclassification becomes necessary due to a change in production characteristics.
8. To consider such other matters as the Commissioner may deem pertinent.

The Z Sand, Reservoir 650, in Lake Barre Field is hereby defined as being that gas and condensate bearing sand encountered between the electric log depths of 14,492 (14,472 TVD) feet and 14,632 (14,610 TVD) feet in the Texaco Exploration and Production Inc. - VU29;LB U29 Well No. 39, located in Township 21 South, Range 19 East, Terrebonne Parish, Louisiana.

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Chevron will provide for the advertisement of the legal notice in a newspaper of general circulation in the vicinity of the Lake Barre Field, and also will post the legal notice and unit plat in a prominent place in the area of the field. Chevron will also mail a copy of said legal notice and unit plat to Interested Owners, Represented Parties and to Interested Parties.

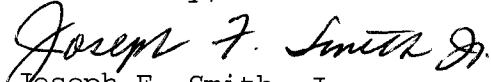
Attached are (1) a copy of the unit plat, (2) a list of Interested Owners, Represented Parties, and Interested Parties, and (3) our check in the amount of \$700.00 to cover the application fee.

A copy of this application, plat and list attached, is being sent to Mr. Richard D. Hudson, District Manager, Lafayette, Louisiana. A copy of this application and plat are also being sent to each Interested Owner, Represented Party, and Interested Party after a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

The pre-application conference was not held since Chevron did not receive a request to confer.

All pertinent data relating to this notice can be obtained, at the cost of the requesting party, by contacting the undersigned at Texaco Exploration and Production Inc., 935 Gravier St., Room 1944, New Orleans, Louisiana 70112, telephone number (504) 592-6710.

Yours truly,


Joseph F. Smith, Jr.
Unitization Coordinator

JFSmith:LBZR650SUA

Attachments

cc: Mr. Richard D. Hudson, District Manager
Department of Natural Resources
Office of Conservation
Lafayette, Louisiana

Interested Owners, Represented Parties and Interested Parties

UNIT 23

U23-16
15564

U23-10
15200

R 19 E

U22-3
13485

UNIT 22

Z R650 SUA
VU 29; LB U 29 Well No. 39
± 180.24 Acres

CHEVRON USA INC.
UNITIZATION DEPARTMENT
LAKE BARRE FIELD
TERREBONNE PH., LA.
Z R650 SUA
ENGINEER: J.F. SMITH JR. DATE: AUG. 21, 2002

500' 0 500' 1000'
SCALE

T 21 S
LAKE BARRE

U26-7
17784

U26-10
15565

U26-2
15100

U26-9
16234

U26-1
14738

U26-11
15397

U26-3
15700

U26-6
15600

U26-12
18230

Fault

UNIT 27

Domal Material

U27-5
14750

U27-6
14750

U27-7
12020

U27-1
12492

U27-157
12420

U27-4
15775

U27-3
14675

UNIT 28

Fault

U28-2
14675

U28-3ST
15624

U28-3
14674

U28-1
15739

U29-35
14090

U29-4
13593

U29-16
10700

±260'

±160'

○ Proposed Unit Well
△ Geologically Significant Well